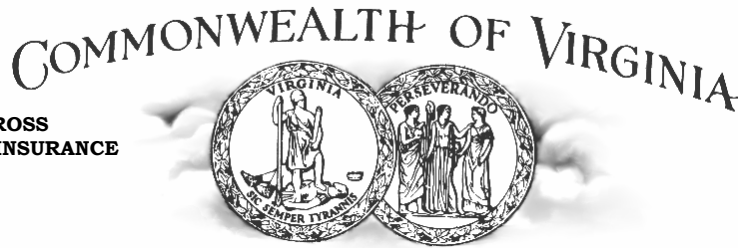


ALFRED W. GROSS  
COMMISSIONER OF INSURANCE



P.O. BOX 1157  
RICHMOND, VIRGINIA 23218  
TELEPHONE: (804) 371-9741  
TDD/VOICE: (804) 371-9206  
<http://www.state.va.us/scc>

**STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE**

April 4, 2005

To: Licensed Surplus Lines Brokers

Re: Important Notice Regarding Licensing Requirement and Renewal  
of Surplus Lines Broker's License

**This is to clarify any uncertainty regarding authorized individuals of Surplus Lines Broker (SLB) agencies to hold an individual SLB license. Virginia insurance statutes do not require authorized individuals of SLB agencies to hold an individual SLB license. Nevertheless, the authorized individual must hold the requisite Property and Casualty license.**

Enclosed is your renewal application. The application and renewal fee **must** be received by this office prior to June 1, 2005; if not, the license will terminate on June 30, 2005. This packet consists of Forms SLB-1 and SLB-2. The renewal fee is \$50. Personal checks are **not** accepted. Any omission on any of the required forms will cause a delay in the renewal of your license. Additionally, your license will **not** be renewed unless all of your 2004 taxes and assessment have been paid. Any questions regarding tax filings or the assessment fee should be directed to 804-371-9192. Please carefully read the instructions that apply to your situation.

**Individual**

- SLB-1, APPLICATION FOR SURPLUS LINES BROKER LICENSE, INDIVIDUAL must be completed in its entirety. Complete **only** the top portion of the SLB-1. **Do not** complete the "agency" portion.
- SLB-2, BOND FOR SURPLUS LINES INSURANCE BROKER must be completed by VIRGINIA RESIDENTS ONLY. THE BOND SHOULD BE VALID FOR THE PERIOD OF 7/1/05 – 7/1/06. A surety company licensed in Virginia must write the bond. The individual requesting the renewal of the license may complete the bond form. By completing the "Applicant's Certification and Attestation", you are certifying that you have acquired a Surety bond in the amount of twenty-five thousand dollars (\$25,000).
- NONRESIDENT INDIVIDUALS **must** attach a current (not more than 90 days old) certification letter from the home state insurance department or a printout from the NAIC's Producer Data Base. In the past Virginia has issued Surplus Lines Broker (SLB) licenses to nonresidents from states in which no SLB license existed provided the applicant had Property & Casualty authority in the home state. Henceforth, the SLB license cannot be issued to a nonresident applicant unless the nonresident applicant holds **specific license authority** to act as a Surplus Lines Broker (or equivalent title) in the home state.

- A criminal history report **is not** required to renew the license. However, if you have been convicted of a criminal offense subsequent to the issuance of the original license, you must submit a current (no more than 90 days old) criminal history record report to “renew” the license. Virginia residents may obtain a criminal history record report by contacting the Virginia State Police. In addition, you must submit a written statement explaining the circumstances of each incident, a certified copy of the charging document and of the official document that demonstrates the resolution of the charges or any final judgment, and if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of probation. This requirement will apply to both residents and nonresidents.
- An agent (resident or nonresident) is required by law to report to the Bureau of Insurance within 30 days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense.

### **Business Entity**

- SLB-1 APPLICATION FOR SURPLUS LINES BROKER LICENSE, AGENCY must be completed in its entirety. The “Applicant’s Certification and Attestation” should be signed by the officer of the corporation or limited liability company. If the applicant is a partnership, a partner should sign the form. Complete **only** the bottom portion of the SLB-1. **Do not** complete the “individual” portion.
- SLB-2 BOND FOR SURPLUS LINES INSURANCE BROKER must be completed by VIRGINIA AGENCIES ONLY. THE BOND SHOULD BE VALID FOR THE PERIOD OF 7/1/05 – 7/1/06. A surety company licensed in Virginia must write the bond. The individual requesting the renewal of the license may complete the bond form. By completing the “Applicant’s Certification and Attestation”, you are certifying that you have acquired a Surety bond in the amount of twenty-five thousand dollars (\$25,000).
- NONRESIDENT AGENCIES **must** attach a current (not more than 90 days old) certification letter from the home state insurance department or a printout from the NAIC’s Producer Data Base. In the past Virginia has issued Surplus Lines Broker (SLB) licenses to nonresidents from states in which no SLB license existed provided the applicant had Property & Casualty authority in the home state. Henceforth, the SLB license cannot be issued to a nonresident applicant unless the nonresident applicant holds **specific license authority** to act as a Surplus Lines Broker (or equivalent title) in the home state.
- NONRESIDENT AGENCIES must attach a copy of the “certificate of authority” from the Clerk of the Commission. You may contact (804)371-9733 for instructions on how to obtain the certificate of authority. You must be registered with the Clerk of the Commission in order to obtain a new license or renew an existing license. (Note: This is the equivalent of obtaining a certificate of authority from the Secretary of State in most other states.)

Submit your application package using the appropriate address.

**Mailing Address**

Bureau of Insurance  
Agent Licensing Section  
P O Box 1157  
Richmond, VA 23218

**Overnight Address**

Bureau of Insurance  
Agent Licensing Section  
1300 East Main Street  
Richmond, VA 23219

Please direct any licensing/renewal questions you might have to this office at the number listed below.

Sincerely,

Richard J. Tozer  
Principal Office Technician  
Agents Licensing Section  
(804)786-9525

Attachments: Form SLB-1  
Form SLB-2